

Council/Agency Meeting Held: _____	City Clerk's Signature _____
Deferred/Continued to: _____	
<input type="checkbox"/> Approved <input type="checkbox"/> Conditionally Approved <input type="checkbox"/> Denied	
Council Meeting Date: 4/2/2007	Department ID Number: ED 07-09

CITY OF HUNTINGTON BEACH REQUEST FOR CITY COUNCIL ACTION

SUBMITTED TO: HONORABLE MAYOR AND CITY COUNCIL MEMBERS

SUBMITTED BY: *Penelope Culbreth Graft*
PENELOPE CULBRETH-GRAFT, DPA, CITY ADMINISTRATOR

PREPARED BY: STANLEY SMALEWITZ, DIRECTOR OF ECONOMIC DEVELOPMENT *SS*

SUBJECT: Award Emerald Cove Senior Apartments Capital Repair Project 2007

Statement of Issue, Funding Source, Recommended Action, Alternative Action(s), Analysis, Environmental Status, Attachment(s)

Statement of Issue: On February 2, 2007 bids were received for the Emerald Cove Senior Apartments Capital Repair Project 2007. Staff recommends award to AAA Restoration, Inc., the lowest responsive and responsible bidder.

Funding Source: Funds are budgeted in the Emerald Cove Enterprise Fund Account 50380101.64520. With contingency, the full project cost will be approximately \$667,612.00.

Recommended Action: Motion to:

1. Accept the lowest responsive and responsible bid submitted by AAA Restoration, Inc., in the amount of \$606,920.00;
2. Authorize the Mayor and City Clerk to execute a construction contract in a form approved by the City Attorney; and
3. Authorize the Director of Economic Development or the Director of Public Works, or his designee, to approve up to ten percent (10%) in construction change orders.

Alternative Action(s): Reject all bids, and provide staff with alternative direction. This action would delay completion of the project.

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Analysis: The Emerald Cove Senior Apartment Complex was built by the City of Huntington Beach over thirty years ago, in 1986, with the express objective of providing needed affordable housing for the City's low and very low-income senior residents. The complex is located at 18191 Parktree Lane and is comprised of nine two-story buildings that contain 164 studio and one-bedroom apartments and a single story clubhouse/office/laundry building (See Attachment 1 - map). The Emerald Cove facility is overseen by the Real Estate Property Division of the Economic Development Department and is currently being managed by The John Stewart Company, under a contract with the City.

With the exception of a roof repair project completed several years ago, most of the maintenance at Emerald Cove has been provided on an as-needed basis by on-site maintenance personnel hired by the City's management company. However, more recently, it was brought to staff's attention that a large portion of the complex's external structural components have deteriorated to the point that they need to be repaired or replaced. Most of the damages sustained are due to normal wear and tear, exposure to the weather, and termite damage, and are to the extent that would be considered typical for a structure over thirty years old in a coastal area.

Seeing the need to ensure the safety of Emerald Cove residents, in May of 2005 the City asked Western Seniors Housing, the City's manager at Emerald Cove at the time, to hire an experienced construction/engineering firm to perform a conditional site assessment of the complex. Western Seniors Housing hired Gafcon Inc. in September of 2005 to complete the site assessment phase of the project. The Conditional Site Assessment Report prepared by Gafcon, Inc., confirmed the need for safety-related repairs on the building, roof, and plumbing components within the facility and provided a cost estimate for the repairs. In July of 2006, the City contracted with Gafcon, Inc. to provide construction management services in connection with the remaining contract-bid and construction phases of the project. Since that time, Gafcon, Inc., as part of its construction management services, has been working with Emerald Cove on-site maintenance personnel to complete the minor repairs identified in the Conditional Site Assessment Report. The major repairs identified in the Report are generally described in Attachment 2 (Scope of Repairs) and will be addressed in the contract recommended to be awarded herein.

Gafcon Inc., Economic Development staff, and Public Works Department staff generated necessary redesign plans and bids were formally solicited, in compliance with the public works construction services procurement process prescribed by the City, for the Emerald Cove Capital Repair Project 2007. Two bids were received which were publicly opened on February 15, 2007 by the City Clerk, as listed below in ascending order:

Bidding Contractor	Bid Amount	Corrected Amount
AAA Restoration, Inc.	\$590,677.00	\$606,920.00
JK Construction	\$663,679.00	\$663,679.00

Bid amounts were verified. The reference check for AAA Restoration, Inc. provided acceptable responses from past clients. The bid result was much more favorable than the

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engineer's cost estimate. The reasons for this are explained in Attachment 3 (Original Estimate Variation).

It is not expected that supplemental services by outside firms will be needed (i.e. soils and materials testing, corrosion analysis, etc.). However, due to unknown conditions that may be encountered while completing the repairs, authorization is requested by the Director of Economic Development or the Director of Public Works, or his designee, to expend up to ten percent (10%) (not to exceed \$60,692.00) in construction change orders; this is the amount of contingency authorized for public works construction projects as per Resolution No. 2002-119 and is also the amount being recommended by Public Works staff assisting with the project.

The Emerald Cove Capital Repair Project 2007 will be monitored by a prevailing wage monitoring service provider, as required for publicly-funded construction projects. The project is expected to take six months to complete. The project will likely cause temporary inconvenience for the tenants at Emerald Cove; however, it is not anticipated that it will require the relocation of tenants. Tenant information meetings have been held and will continue during the project to help manage issues that may arise as a result of the project.

Environmental Status: This project consists of rehabilitating an existing, City-owned facility and the project proposed involves the repair and replacement of existing building components only. The project is, therefore, Categorically Exempt pursuant to Class 2 Section 15302 (C) of CEQA.

Attachment(s):

City Clerk's Page Number	No.	Description
4	1.	Location Map
7	2.	Scope of Repairs
9	3.	Original Estimate Variation

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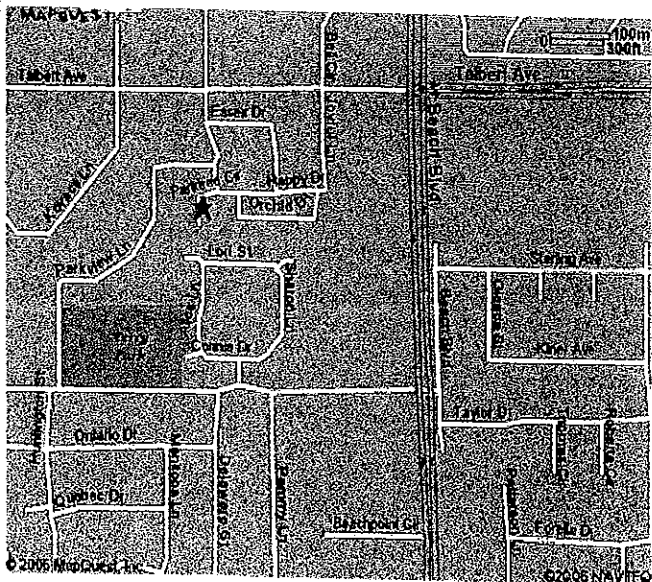
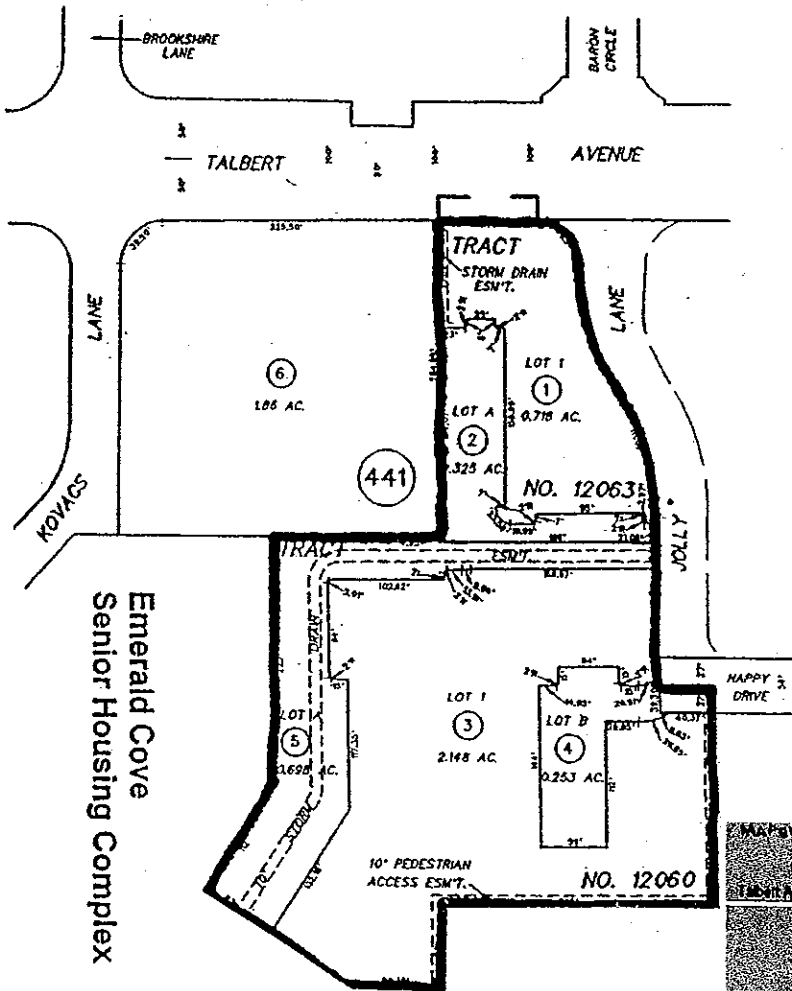
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ATTACHMENT #1

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ATTACHMENT 1 - MAP

EMERALD COVE SENIOR APARTMENT COMPLEX 18191 PARKTREE CIRCLE SITE MAP



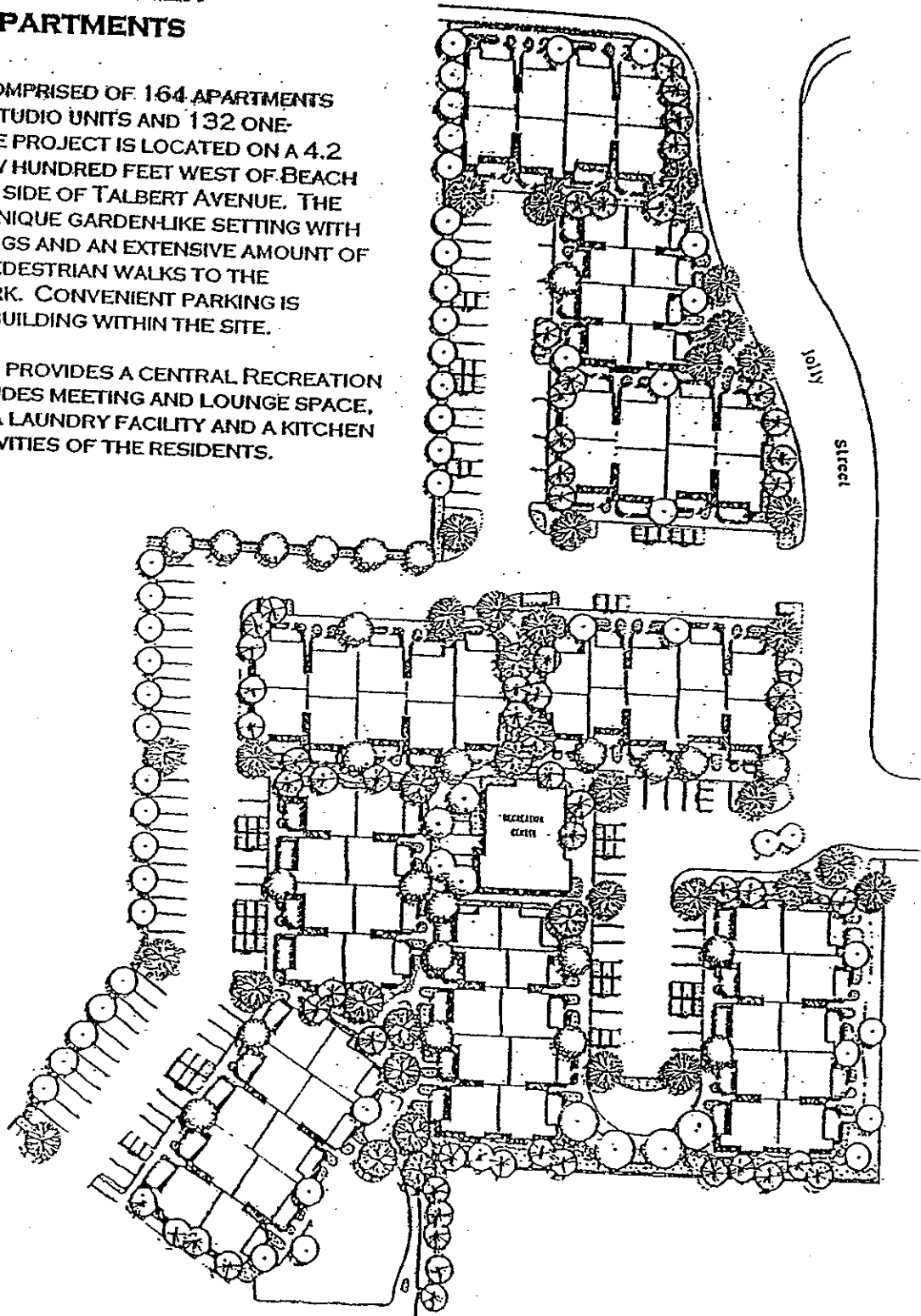
Complex Location Map

EMERALD COVE

SENIOR CITIZEN APARTMENTS

EMERALD COVE IS COMPRISED OF 164 APARTMENTS WHICH INCLUDE 32 STUDIO UNITS AND 132 ONE-BEDROOM UNITS. THE PROJECT IS LOCATED ON A 4.2 ACRE SITE JUST A FEW HUNDRED FEET WEST OF BEACH BLVD. ON THE SOUTH SIDE OF TALBERT AVENUE. THE PROJECT OFFERS A UNIQUE GARDEN-LIKE SETTING WITH LOW-PROFILE BUILDINGS AND AN EXTENSIVE AMOUNT OF LANDSCAPING AND PEDESTRIAN WALKS TO THE ADJACENT TERRY PARK. CONVENIENT PARKING IS PROVIDED TO EVERY BUILDING WITHIN THE SITE.

EMERALD COVE ALSO PROVIDES A CENTRAL RECREATION CENTER WHICH INCLUDES MEETING AND LOUNGE SPACE, THE RENTAL OFFICE, A LAUNDRY FACILITY AND A KITCHEN FOR COMMUNITY ACTIVITIES OF THE RESIDENTS.



CITY OF
HUNTINGTON BEACH

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ATTACHMENT #2

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ATTACHMENT 2

Scope of Repairs for Emerald Cove Apartments City of Huntington Beach, CA.

Project Management
Estimating
Scheduling
Program Management
Construction Management
Development Management
Legal Support

The following is a summary of work to be addressed at Emerald Cove Apartments:

Site: Replacement of damaged sidewalk light poles, patio fences and posts, cracked cement patio slabs, parking lot curbs and mow strips.

Building Exteriors: Replacement of damaged building siding, balcony railing and decks, unit storage doors, common area utility doors, damaged or missing stucco, and repairs to lower exterior steps to upper units. All balcony decks and stairs will receive installation and application of a new waterproof system, along with the installation of new gutters throughout the complex.

Roof: Repairs will be done to the starter shingle at each roof eave location, Z-bar installed in locations where the material is missing and general roof maintenance on each building.

Plumbing: Install natural gas seismic shut-offs on each building.

Labor Cost: The City project is a prevailing wage project and will be monitored by City of Huntington Beach consultants

Respectfully Submitted,
Gafcon, Inc.

Larry Reddel
Sr. Project Manager

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ATTACHMENT #3

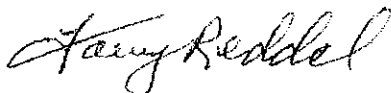
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Original Estimate Variation from Bid Amount City of Huntington Beach, Emerald Cove Apartments

AAA Restoration's bid for the scope of work at the Emerald Cove community was lower than amount budgeted by City of Huntington Beach staff due to the following:

- Gafcon (Project/Construction Manager) scheduled numerous site visits with outside consultants and contractors to inspect, discuss, and review repair options and cost savings that best serve our clients' budget and schedule. The major cost of repairs (approx. 85%) applied to the balcony railing replacement, deck and stair repairs, new waterproof system for balcony decks and stairs, along with complete gutter system replacement. As a result of the site meetings, destructive testing of existing systems, compatible waterproof deck application with existing and design changes, it was determined the best approach to repair decks would be to remove portions of the top deck to access post connections and inspect for dry rot on the balcony floor joists. Originally the repair was to be done from the stucco lid, requiring thousands of feet of stucco removal and replacement, which can be very costly.
- Escalations of material and labor cost have stabilized from the past few years.
- Request on-site maintenance company address minor and single repair items.
- Address items that were priority, such as: fire and safety or immediate repairs and exclude long range needs at apartment complex.
- Have outside contractors take care of items that the City is not responsible for, such as: sprinkler valve box covers, sprinkler timing wires, cable and telephone boxes, along with outside porch light replacement by So. Cal. Edison.
- City Permit fees were waived because work is being done on City-owned property.
- Engineering fees were kept to a minimum by preliminary site meetings and destructive testing to determine best approach to cost saving repairs.

Respectfully Submitted,
Gafcon, Inc.



Larry Reddel
S. Project Manager

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